



Request for City Council Committee Action from the Information Technology Department

Date April 23, 2013

To: The Honorable Betsy Hodges, Chair, Ways and Means Committee

Subject: Extend and increase contract with KorTerra Inc. for software maintenance

Recommendation Authorize proper City officials to:
a) Extend the contract, C-34023, with KorTerra Inc. by one year, and
b) Increase contract by \$24,000 for software support services related to managing the Gopher State One Call utility locating system

Prepared by Elise Ebhardt, Interagency Coordinator, 673-2026

Submitted by Otto Doll _____, 673-3633
Chief Information Officer

Approved by Paul Aasen _____
City Coordinator

Presenter in Committee Otto Doll

Policy Review Group X Not Applicable

Permanent Review Committee (PRC) X Approved 4/4/13

Prior Related Directives:

April 15, 2011: Authorized execution of two-year contract with KorTerra, Inc. for professional services, hosted software and maintenance.

Financial Impact: None.

Financial Impact (Check those that apply)

- X No financial impact (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- X Request provided to department's finance contact prior to the Committee Coordinator

Background/Supporting Information

The City has a contract (C-34023) with KorTerra, Inc. to provide training and technical support services for KorTerra software, which is an automated dispatch system for locating underground utilities. The Minneapolis Public Works department has three divisions – Sewer, Traffic, and Water, that perform underground utility locates when a request to do so is received from Gopher State One Call (GSOC). GSOC is a state agency that takes locate requests coming from contractors, private homeowners, etc. and dispatches a locate ticket to all utilities that may have underground assets such as pipes or wires in the area. For locate requests in Minneapolis, GSOC sends a ticket to the City of Minneapolis Automated Dispatching Locate System hosted by KorTerra, Inc.

The existing contract with KorTerra ends on May 31, 2013 and has a total contract value of \$53,000.00 over a 24-month period. The Permanent Review Committee directed Public Works and IT to go through the Request for Proposals (RFP) process prior to entering into a new contract for an automated dispatching system.

IT requests to extend the existing contract with KorTerra for one year while we are developing the RFP. All three Public Works departments (Sewer, Traffic, and Water) rely heavily on the system and technology during the busy construction season when the number of locate requests is highest and Public Works staff are dedicated to providing the locating services. Changing the locate dispatch systems during this timeframe would severely impact Public Works' ability to keep up with locate requests, thus increasing the risk of missed or incorrectly marked utilities and potential damage to City infrastructure. Should a new system and vendor be chosen, the best time for implementation would be over the winter months. A minimum of a six-month extension to the current contract would be needed in order to allow time to migrate and implement the new solution as well as contract negotiation time with a new vendor.

The Permanent Review Committee approved this request on April 4, 2013.

Action Requested

Authorize proper City officials to:

- a) Extend the contract, C-34023 with KorTerra Inc. by one year, and
- b) Increase the contract by \$24,000 for software support services related to managing the Gopher State One Call utility locating system.

Public Works is providing the funding for the increased contract expenses.